Jackson E. Reasor President and Chief Executive Officer

July 13, 2007

Mr. David R. Eichenlaub Assistant Director, Economics State Corporation Commission P. O. Box 1197 Richmond, Virginia 23218





Dear David:

Pursuant to the request in your June 13, 2007 letter, the Electric Cooperatives of Virginia ("the Cooperatives") join together in thanking you for the opportunity to participate in the working group to address electric energy consumption.

Virginia's 13 electric-distribution cooperatives are consumer-owned utilities serving more than 462,000 meters across nearly 50,000 miles of line in rural and emerging suburban areas of the Commonwealth. For that reason, their shareholders are their customers. The Cooperatives serve consumers from Virginia's Eastern Shore in the east through the Shenandoah Valley and as far west as the West Virginia border, and from suburban Washington, D.C. to the North Carolina border. The Virginia, Maryland & Delaware Association of Electric Cooperatives represents the largest consumer organization in the Commonwealth. Old Dominion is the generation and transmission cooperative owned by 10 of the electric distribution cooperatives. All of these electric cooperative organizations have a vested interest in the outcome of this effort.

The Cooperatives would like the working group to address the following foundational questions:

- What standards of measurement (i.e., energy, demand, target entity, etc.) will be included 1. in the definition of electric energy consumption? How will those standards of measurement be applied or calculated in the 10% proposed reduction?
- How should the growth in energy consumption that is expected to occur in the 2. Commonwealth of Virginia during the measurement period be contemplated in the reduction goal by 2022?
- What standards of measurement should be used to estimate the cost effectiveness of 3. attaining the energy reduction goal?
- 4. How should the impact of existing programs be considered in this process?

Once again, we thank you for this opportunity to provide input and participate in the collaborative effort to address the issue of energy conservation and efficiency in the Commonwealth.

Sincerely,

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